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INDUSTRIAL NEWS SURVEY

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A NOTICEABLE amount of optimism combined with a recognition of certain basic obstacles in the business situation is noted during the week. While the general tenor continues to be one of caution, industrial managers are trying in every way to keep their organizations together, operating on short time when necessary rather than shutting down. Opinion as to the outlook for business is divided. One important source holds that "there is no important accumulation of goods tending to depress markets and that on the whole the balance of demand and supply is even, a fact which implies that since the population must equip itself with necessities, reasonable industrial activity will be practically unavoidable." Hand-to-mouth buying has undoubtedly left inventories low.

During May wool machinery was less active; the number of active cotton spindles declined; carload shipments of automobiles fell off; coal production was less; and, reflecting the declines in these as in other industries, employment in factories and on railroads fell off and railroad revenues showed a recession. The situation during the first two weeks of June has been quiet.

Crop production in the United States increased in mass about 13% from 1910 to 1920, according to the United States Department of Agriculture. Yet in the same period, the number of persons working on farms declined about 4.2%. The gain in productivity in the face of this decline in labor employed is ascribed to the following factors: (1) a 40% increase in use of machinery; (2) an increase in average size of farms from slightly over 138 to slightly over 148 acres, an important item since farms below a certain size are expensive to work; (3) greater substitution of animal for human power as shown by an increase of 11% in the ratio of horses and mules to farm workers; and (4) greater use of tractor power and of automobiles. Three in every ten farms had automobiles in 1920 and in some parts of the United States the ratio was close to six in every ten.

The decision of the French government to recognize the Russian-Soviet government, the approaching conference between the Prime Ministers of France and Great Britain to consider European conditions, and the report of the International Labor Office that unemployment has been declining from the peak reached in January of this year, are the outstanding facts on the European horizon.

Governmental

U. S. Government has applied for injunction to restrain 50 of principal oil-producing companies in U. S. from further violation of Sherman Act, charging combination and conspiracy in restraint of trade and commerce among the several states and with foreign nations in gasoline, kerosene and other hydro-carbon products or generally all-petroleum derivatives. Nearly all important companies, including Standard Oil, are cited in complaint. Attorney General charges combination to control production of gasoline by pooling of alleged patent rights in violation of anti-trust acts. Action, which is one of the most sweeping anti-trust moves on part of Government in many years, is of considerable importance.

Charging that Interwoven Stocking Company of New Brunswick, N. J., has employed unfair methods of competition, Federal Trade Commission has issued complaint. Commission states that Company enters into understandings with retail dealers for maintenance, both of resale prices as a condition of opening new accounts, solicits and secures from dealers reports of failure of other dealers handling its products to maintain resale prices, and receives reports of sales by dealers to other dealers, and also secures cooperation of salesmen and agents in preventing dealers who fail to maintain its resale prices from obtaining its hosiery. Direct effect of these practices, Commission states in complaint, is to suppress competition among retail dealers.

National Industrial Conference Board reports that 54 billion dollars,

or one-fifth of all property in U. S., is tax exempt. Exempt property represents one-sixth of national wealth.

Tentative arrangements for funding of \$185,000,000 Polish debt to U. S. have been completed, according to American Debt Funding Commission.

Legislation

Arkansas became first state to ratify child labor amendment to Federal Constitution when Governor signed bill previously passed by legislature.

Georgia legislature convened June 25 for regular session of 50 days. Among measures announced for consideration are approval of proposed bond issue for building of system of state-wide hard-surfaced highways, reformation of state tax system, placement of all state employees under civil service, provision of penalty on all qualified voters who fail to exercise right of franchise, and biennial, instead of annual, sessions of legislature.

Louisiana House of Representatives voted to repeal state anti-trust law enacted in 1915, states *The Times-Picayune* (New Orleans, La.).

According to Representative Longworth, Republican leader, a total of 10,481 bills and resolutions were introduced in last session of Congress and 393 measures were enacted. He stated that first action of House at next session will be to pass deficiency appropriation bill carrying \$132,000,000 for soldiers' bonus and that "it may be fairly

expected that a bill will be brought into the House early to provide for a substantial increase in pay for postal employees with the mail rates adjusted to avert a deficit in postal revenues."

Workmen's Compensation

Cleveland Plain Dealer states editorially that "sickness, not high surtax levies, is the most serious tax on American industry. Time lost in 1923 as a result of physical disability, it is said, was equivalent to the full working time of 1,000,000 individuals."

On basis of eye tests of over 200,000 employees, Eye Sight Conservation Council of America reports that the average proportion of defective vision is 44.3%.

Employee worked as a chauffeur for an employer engaged in operating a laundry. While driving employer's car in course of his work a "foreign substance" entered his right eye, causing an infection of the cornea. As a result of this condition he lost the useful vision of the eye. In this case New York State Industrial Board held that the accident did not arise out of and in course of employment and that employee's claim does not come within provisions of Workmen's Compensation Law. Compensation was denied.

Labor Supply

Women's Wear (New York) states that curtailment in North Carolina increased last week and that industries in State are at present operating at 25% below normal.

National India Rubber Co., Bristol, R. I., announced shutdown of plant on June 28. During shutdown employment will be given some of most needy employees with large families. Shoe department employing approximately 2,100 persons has been operating on reduced schedule for nine months.

The Journal of Commerce (New York) states that general business conditions in Bridgeport, Conn., are good, only a few of the industries working on curtailed schedules. Amount of unemployment is reported nominal.

New London (Conn.) Ship & Engine Co. has laid off about 200 employees, giving cause as inability to collect long-standing debts from Government.

Daily News Record (New York) reports increased dullness in textile industry in Rhode Island and states that with shutdowns announced on June 28, the first two weeks in July will see textile industry in Rhode Island "in a more stagnant condition and more textile operatives idle than for quite some time, this being particularly true of the cotton end of the industry." Following mills have announced shutdown:

For from 10 days to 2 weeks:

Lonsdale Company,
J. & P. Coates (R. I.), Inc.,
Andrews Mills, Branch Village,
Woonsocket Falls Mills.

Closed until July 7:

Hope Webbing Co., Pawtucket,
Smith Webbing Co., Pawtucket,
Penikees Silk Mill, Central Falls,
Bengal Silk Mill, Central Falls,
Slater Yarn Co., Pawtucket.

For several weeks:

Hope & Phoenix Mills, Pawtuxet Valley,

Millville Plant of U. S. Rubber Co.,
Alice Mill, Woonsocket Rubber Co., Woon-
socket.

Trade Unionism

As result of constitutional change adopted at triennial convention of Brotherhood of Locomotive Engineers, a board to direct political and legislative activities will be established at Washington.

One Big Union is reported active in Lawrence, Mass., and many New Hampshire mills cities. Loom-fixers at Lawrence are considering calling strike vote which was postponed six months ago.

As a result of decision of Massachusetts Supreme Judicial Court giving right to iron workers to hang doors at elevator wells of new Boston Chamber of Commerce building instead of carpenters who claimed that right, work has been resumed on building and strike ended.

Boston Evening Transcript states that departure of shoe manufacturers and shoe workers from Lynn, Mass., is giving labor unions serious concern and steps are being taken to economize by cutting expenses. As result three shoe unions have decided to combine. "By the consolidation of these three locals the salaries of two business agents, amounting to \$7,000, will be saved and also the fees paid to two executive committees, as the new union will have only one business agent and one executive committee."

Industrial Relations

U. S. Department of Labor reports that on June 21, 1924, there were 48

strikes before the Department for settlement and in addition 13 controversies which had not reached the strike stage.

Street car strike in Atlantic City seems to be over with arrest of President and Secretary of trolley men's union who were charged with piling ties on tracks, reports *The New York Herald Tribune*.

Forty thousand members of Amalgamated Clothing Workers of America went on strike on June 25. This is second serious strike in men's clothing industry since 1920. Last strike lasted 27 weeks. President of union states "we don't expect a long strike; we are well organized, and the employers are loosely banded together. We expect 90% of the employers to make a settlement soon."

Threatened strike of Cleveland street-car employees was postponed when Common Pleas Court, at request of union workers, issued order restraining officials of Cleveland Railroad Company from refusing to recognize union.

Cleveland (Ohio) Traction Commissioner announced that strike preparations of Cleveland Railway Company since beginning of controversy now in course has cost \$47,000. Average expenditures have been \$10,000 a week, including an extra payroll of non-union crews held in reserve and expenditures for feeding and housing and for fortifying cars and car-barns.

Detroit Street Railway Commission has appealed to Michigan Supreme Court from decision of lower

court that company must arbitrate wage increase demand of employees.

Lynchburg Foundry, Lynchburg, Va., has taken out \$200,000 group life insurance policy to cover officers, department heads and executive clerical force. Other foundry employees are already covered by \$700,000 group insurance contract.

About 1,000 organized bakery workers in Washington, D. C., secured renewal of present wage contract. Employers demanded wage reduction, but on threat of employees to strike, contract was renewed.

In announcing suspension of autonomy of mine union leaders in District 17, West Virginia, President John L. Lewis, of United Mine Workers of America, stated that miners would not sanction wage reductions and that "strikes now in effect will be prosecuted until settlements are reached on the basis of the Jacksonville (Fla.) agreement," by which old wage scale was retained for three years.

Wages and Hours

National Association of Builders' Exchanges reports that during May and effective June 1, 101 individual crafts in 60 cities received wage increases, and nine cuts were put into effect. During the same month last year 280 increases were negotiated and 16 decreases put into effect.

Representatives of about 5,000 trainmen and conductors of Boston & Maine R. R. signed agreement with management, accepting 5% wage increase offered several weeks ago.

Employees of Manchester, Nashua & Derry Street Railway, of Manchester, N. H., were awarded increase of 5 cents an hour for operators of two-man cars and 7 cents an hour on one-man cars by decision of Board of Arbitrators.

G. Levor & Co., large leather manufacturers at Gloversville, N. Y., announced 20% wage reduction, effective July 1. Company stated that decrease had become necessary in order to reduce price of leather, that otherwise business could not be continued as shutdown would have to result.

Youngstown (Ohio) dispatch states that average selling price of bar iron for sixty days ended June 20 declined from 2.35¢ a lb. to 2.25¢ according to bi-monthly examination of sales sheets. Puddlers' wages for July and August period will accordingly drop from \$13.30 a ton to \$12.63 a ton.

Retention of former wage levels of 45 cents an hour for first 6 months, 47 cents for second 6 months and 51 cents after first year, an 8-hour day to be put in effect for 4 months, after which carmen may, at their election, return to 8½-hour day, is provided in two-year agreement between New Orleans Public Service and trolley-men.

Connecticut Company signed agreement with trolley employees, increasing wages from 57 cents to 60 cents an hour. Men originally asked for 75 cents. Agreement affects trolley men throughout State.

Prices

U. S. Bureau of Labor Statistics reports that retail food prices decreased two-tenths of 1% between April 15, 1924, and May 15, 1924. Food prices at the middle of May were 46% above what they were at the same time in 1913, but 2% lower than on May 15, 1923.

Massachusetts Special Commission on the Necessaries of Life reports cost of living in Massachusetts in May, 1924, 57.6% above 1913. Of the individual items in family budget, clothing prices with 83.3% above 1913 lead, followed by fuel and light 77% above, sundries 71.4% above, rents 68% above and food 36.4% above 1913.

Wholesale prices of standard plumbing fixtures for a 6-room house as gathered from 12 representative manufacturers and wholesalers by U. S. Department of Commerce, show average price movement on six standard fixtures, net to retailer, without freight, as:

Item	Average, 1913	May, 1923	May, 1924
Bath tubs.....	\$16.49	\$31.21	\$30.24
Wash stands.....	8.61	15.88	15.41
Water closets.....	15.69	31.35	26.12
Sinks.....	11.73	22.01	23.12
Laundry tubs.....	8.13	15.89	13.11
Range boilers.....	6.93	13.00	13.70
Total.....	\$67.58	\$129.34	\$121.70

Appellate Division of New York State Supreme Court upheld contention of State Commission of Housing and Regional Planning, that an emergency exists as to housing conditions in New York City. Rent of apartment in question was \$350 per month. Commission holds that "there is no dividing line above which apartments may be free from

the operation of emergency rent laws with safety to tenants."

Trade and Commerce

In recent address Secretary Hoover stated that U. S. has capacity to generate over 27,000,000 electrical horse-power and that "the American wage earner has at his elbow 50% more power than any of his competitors. In consequence, his product is greater, his wage higher, and his physical strain is less than any other."

National Association of Hosiery and Underwear Manufacturers has decided to carry through campaign against jobbers who use declining market as excuse for cancellations of hosiery orders. Ten test cases involving less than \$1,000 each have been prepared for hearing in New York Municipal Court. Association states it has no intention of fighting cancellations due to late delivery, faulty merchandise, or other legitimate means, but it will not consider declining market as a legitimate reason.

New issues of corporate securities in May, 1924, exceeded those of any month since outbreak of World War. Month by months since 1922 capital issues in United States have been,

	1924	1923	1922
January...	\$220,883,100	\$632,783,500	\$209,661,500
February...	254,913,200	237,608,900	202,749,400
March...	287,327,400	313,927,800	283,724,470
April...	265,954,200	274,425,000	445,196,060
May.....	625,919,200	348,220,300	400,700,150
June.....	.....	326,711,000	829,304,000
July.....	.....	237,257,500	232,976,180
August.....	.....	137,422,500	222,612,400
September.....	.....	205,516,300	276,320,160
October.....	.....	246,446,000	170,582,400
November.....	.....	374,866,300	216,921,750
December.....	.....	266,273,600	433,199,850
			\$3,601,438,300 \$3,423,948,320

Reports from 17 cities in New York State show that building plans were filed for \$550,000,000 of construction in first 5 months of 1924.

U. S. Department of Commerce reports that Europe is recovering as a market for American machinery and that during 1923 the volume of shipments was \$123,598,000, a 10% increase over previous year.

Production of leather boots and shoes in U. S. during first four months of 1924 totaled 110,114,591 pairs, compared with 128,748,341 pairs in corresponding period of 1923.

Dun's reports business failures during last week totaled 349, as compared with 412 during preceding week. Greater number of failures are in East and South, Western Pacific Coast States showing a reduction.

The Wall Street Journal (New York) states that "for first time in several weeks there is some optimism in the Pittsburgh steel market. This has been brought about not so much by an increasing demand for steel products as by feeling that the worst is over. This sentiment has been communicated to other lines."

Federal Reserve Board, in monthly survey of business and financial conditions, states that its index of production in basic industries, adjusted to allow for seasonal variations, declined about 10% in May, 1924, to a point about 18% below the peak reached a year ago. The declines were particularly

marked for iron and steel and mill consumption of cotton.

Transportation

Interstate Commerce Commission held that contracts negotiated by Central R. R. of New Jersey in 1920 and 1921 for construction and repair work on its railway equipment resulted in costs greatly in excess of cost of similar work if handled in its own shops. Commission states that even though at end of federal control some assistance to company shops may have been necessary as an emergency, contract work was carried beyond reasonable necessities and large part of excess expenditure could have been avoided. American Federation of Labor intervened in case.

At hearing before U. S. Railroad Labor Board, 20 railroads opposed petition of United Brotherhood of Maintenance of Way Employees and Railroad Shopworkers for revision of overtime payment. Employees asked time and a half for ninth and tenth hours of work, and on Sundays and holidays, with straight time instead of half time payment for travel time.

New York Telegram and Evening Mail reports that definite action toward merger of Chicago, St. Paul, Minnesota and Omaha Railroad with Chicago and Northwestern is indicated by appointment on June 17 of two parent company executives to jurisdiction over Omaha traffic and purchasing departments.

Interstate Commerce Commission has authorized reduction of freight

rates on numerous commodities in carloads from New York piers of Southern Pacific-Atlanta S. S. Line, via water to Galveston and New Orleans, thence by rail to points of Southern Pacific System to New Mexico, Arizona and California.

U. S. Shipping Board announces that as result of instructions by President Coolidge to inaugurate new economies beginning July 1 so that Government fleet may be operated without exceeding appropriations authorized for fiscal year 1925, consolidation of various fleets will be put in effect. Plans for consolidation of fleets in Gulf and North Atlantic and Mediterranean ports are being considered.

Foreign

New French Government has decided to recognize Soviet Government in Russia.

Spanish Military Directorate in effort to foster policy of economic nationalism has issued decree, providing that henceforth Chairmen and Directors of Boards of companies must be Spanish; at least 75% of the capital shares must be held by Spanish subjects; 80% of the staff must be of Spanish nationality. Fuel and raw material used in industry must be of home production unless they are 15% dearer than foreign products of a similar kind or unless home production does not suffice for home consumption.

Brazilian Immigration Department reports that during 1923 there were 86,767 immigrants admitted into Brazil, as compared with 34,821

in 1922. Portuguese head the list in 1923 with 36.9% of total, followed by Italians with 18.2%, Spaniards with 11.7% and Germans with 9.5%.

As result of serious strikes in Londonderry, Ireland, 10,000 persons are out of work out of total population of 40,000. Irish Minister of Labor stated that up to present there has been no prospect of successful intervention. An official umpire has ruled that work people on strike are not entitled to unemployment benefit.

In present strike of Canadian post-office employees, a number of cities have ordered civil service examinations to permit replacement of strikers. Acting Postmaster General has stated that Government cannot "under any consideration consider arbitration with its employees." In Toronto, settlement has been reached with local post-office employees and dispute will be referred to Committee of House of Commons.

International Labor Office of League of Nations states that upward movement of unemployment which has been in progress in most countries since October, 1923, reached its climax at beginning of 1924, since which time there has been no perceptible increase in any country except Austria.

Eight months' strike of 25,000 employees in 20 textile districts in Holland was terminated June 24, with return of workers who agreed to accept proposals made by state conciliator in November, 1923.